A PUBLIC AGENDA FOR HIGHER EDUCATION IN WASHINGTON

The data analyses and interviews conducted around the state revealed great strengths in the individual sectors of the state's higher education system. However, it is clear that the capacity of the system will have to be expanded and the functioning of the collective system improved if the needs of the state of Washington and its citizens are to be met.

When members of the Collaborative met in Olympia with a group of policymakers to review data about Washington and discuss issues that arose from them, a preliminary "Public Agenda" was developed. The Collaborative then went into the field, interviewing educators, community and business leaders, and others throughout the state. We wanted to determine how these leaders saw the preliminary public agenda, and what additions or changes they would offer. Here is the preliminary "Public Agenda" with which we began our visits.

1. Address mismatch between capacity and need.
    - Growth in population
    - Need to improve college participation
    - Capacity
        - Lower-division—Community Colleges
        - Upper-division capacity for community college transfers and for students who want to go directly into a baccalaureate program
    - Need to increase degree production
        - Associates and certificates
        - Baccalaureate
    - Geographic accessibility
2. Improve responsiveness to workforce needs and reduce dependence on in-migration.
    - Teachers
    - Nurses
    - Engineers/computer scientists
    - Basic workplace skills (especially young adults)
3. Improve performance of secondary school students (especially math).
4. Increase the amount of part-time and continuing professional education.
5. Decrease disparities across the state.

If this agenda is correct, it has to:

1. Be accepted as a long-term agenda, transcending terms of office, political divisions, and institutional loyalties.

2. Engage all providers of postsecondary education in the state—public and private, two- and four-year institutions.

3. Be pursued through conscious alignment of all the available policy tools—policy leadership, finance, accountability, and regulation.

4. Encourage a collaborative approach to addressing problems.

5. Have easily understood benchmarks to gauge progress.

FINDINGS OF THE POLICY AUDIT

Using the Public Agenda outlined above as a point of departure, the policy audit phase of the project was conducted in order to:

1. Test the conclusions of the data analysis phase—are the themes listed in the "Public Agenda" the right ones? What, if anything, should be changed?

2. Identify policies and practices that either promote or impede pursuit of the items on the Public Agenda.

In summary, the policy audit:

1. Served to reaffirm the agenda. The discussions provided additional detail and nuance about the items on the agenda but, with one exception, did not change the agenda.

2. Identified numerous policies and practices that serve as barriers to pursuit of the key elements of the agenda.

Observations and findings regarding each of these two topics are presented below.

A. Observations About the Public Agenda

1. The Mismatch Between Capacity and Need

    - Widespread recognition that such a mismatch exists.

    - A concern that capacity problems exist at community colleges as well as at the baccalaureate level.

- While the Collaborative and HECB identified this mismatch on a state-wide level, the discussions around the state put a distinctly regional face on this topic with the misalignment frequently described in terms of:

  – A failure of the institutions to be aligned with the workforce and economic development needs of a region.

  – "Picket fence" relationships among institutions that made collaboration between them difficult.

- Most frequently cited evidence regarding lack of capacity (of the right kinds in the right places) was:

  – The calculation that community colleges are "over-enrolled" by 15-20,000 students with the result that students are not getting the services they need.

  – Imposition of enrollment caps at four-year institutions and talk of doing so at community colleges.

  – Increasing difficulty of transferring from community colleges to universities (a 2.75 GPA and an AA/AS no longer guarantees transfer). While the objectives associated with this change in institutional policy may be laudable, the policy was implemented in such a way that it created confusion among students and reinforced the difficulties associated with getting component parts of the higher education enterprise to function effectively as a system.

- While needs for additional access/capacity were recognized, there was no consensus about what types of additional capacity were needed.

  – Often expressed as a two-year versus four-year issue with the belief that funding of one sector would work to the detriment of the others. Not much recognition that increased capacity in both sectors might be the necessary response. There was some skepticism that additional bachelor degree production was needed. But at the same time, and often in the same meetings, people expressed concern that well-educated "outsiders" were coming into the state to take the higher-level jobs.

  – A strong sentiment toward "utilitarianism" pervaded the discussions—if additional capacity were to be developed, it should be in areas in which there is a clear workforce need. "Need" was reflected very much in employment and immediately practical terms, not in terms of individual choice and opportunity and the social benefits of a more highly educated populace, regardless of field of study. The discussion tended to focus on the present, not on the future of Washington.

  – In keeping with this utilitarian perspective, a lot of discussion about lack of baccalaureate programs in the applied technologies—programs that are labeled as Baccalaureate of Applied Sciences in some other states.

- Widespread agreement that geographic access continues to be a problem.
  - Increase in number of four-year institutions providing programs on community college campuses is viewed as a very promising but not fully developed approach to addressing this problem.
  - We also found an expressed need to increase the opportunities for students who want to enter directly into a university to pursue a baccalaureate degree.

2. Responsiveness to Workforce Needs

- Again, much agreement as to importance of this item.
- A feeling that shortage of teachers who majored or minored in the subject they teach is as much a function of low salaries as of lack of university capacity.
- A request that shortages of a broad range of healthcare professionals be recognized. It is not just nurses that are in short supply; the shortages extend to pharmacists, dentists, and a variety of allied health technologists.
- Perhaps the most surprising finding was community understanding and support for recognizing adult literacy problems as a basic workplace issue.
  - Basic adult literacy. One-fourth of the population between ages 18 and 24 do not have a high school diploma. The number of General Education Development credentials being awarded each year does not equal the number of young people entering this cadre. So the population of under-educated youth is growing.
  - ESL, not just for Hispanics but for large numbers of Asians, Russians, Ukranians, and other East Europeans as well.
  - Math and communications skills for older adults who have not completed high school (or completed without acquiring the requisite skills).
  - Important at the local level but not viewed as being on the radar screen at the state level. All of these programs are in competition with each other for shares of an inadequate pool of funds. The waiver of tuition for these services may help the recipients but it also diminishes the revenue available to offer the services.
  - A frustration with the recognition that many of the "good" jobs in the state are being taken by in-migrants—a concern often in direct conflict with a questioning of whether more in-state residents should be getting baccalaureate degrees.

3. Improve High School Performance

    - An admission that little has been done to assure alignment between high school performance exams (WASL) and expectations regarding preparation for college.

    - A concern that the math exam is given in the sophomore year. If passed, students can avoid math for two years while their math skills deteriorate.

    - A growing mismatch between the ethnic and racial characteristics of K-12 students and that of their teachers.

4. Improve Part-time and Continuing Professional Education

    Recognized as an issue (although not a large one in comparison to others), but viewed largely as a market issue, not a public policy issue—if it is needed and important enough, sources will emerge and clients will pay for the services.

B. Findings Regarding Policy Barriers

In brief, the policy audit has led the collaborative staff to the following overarching conclusions.

- Washington does not have a well-developed and focused mechanism for creating and managing a public agenda for higher education.

- The policy mechanisms for helping to ensure that the component parts of the higher education enterprise are working together as a system are not functioning effectively.

- Finance policy—very much the focal point for policymaking about higher education in Washington—is not well aligned with the public agenda as articulated above. (While financing mechanisms were not the focal point of most conversations in the field, they underlay most of the issues raised. The mechanisms appear to lack internal coherence, having been adopted at various times to "solve" particular problems. The one common complaint we did hear is that a "one size fits all" approach to financing was completely inadequate.)

- Accountability is not systematically used to help focus institutional attention on a limited number of state priorities.

More detailed observations about these findings are presented below.

1. Policy Leadership

    - At the moment, there is no consensus about statewide needs and priorities—a public agenda that is widely accepted and that guides policy choices.

- The HECB Master Plan has much of the appropriate content (it is generally in line with the conclusions of the Collaborative), but:

  – At the moment the agency does not have the credibility to assume the leadership role in this regard.

  – It is not clear that policymakers expect HECB to play this role—the role of the agency is viewed more as policy implementation than policy leadership.

- Policy leadership for higher education is fragmented in the state.

  – At the state level, the legislature and OFM play major roles in formulation of higher education policy. In addition, much policymaking has been devolved to institutions in the various sectors—to the universities and community colleges with policies regarding workforce development and student financial aid being assigned primarily to the Workforce Training and Education Coordinating Board and the HECB, respectively.

  – One of the consequences of the research universities' roles in this regard is that functioning of the branch campuses are driven more by the cultures and expectations of the parent campuses than by the different access and workforce development needs of the regions they are intended to serve.

  – This dispersion of policymaking creates circumstances in which considerable effort is spent in "coordinating the coordinators." However, there is really no convening authority (no "bridge builder," as one person put it) who has the assignment, the ability, or the tools to get the component parts to function effectively as a system to ensure that policies having disparate origins are mutually reinforcing and aligned in pursuit of common objectives.

- Because there is no agreed-upon set of priorities, policymaking tends to:

  – Focus on very specific problems.

  – Deal primarily with "how" things are done rather than "what" things are done.

  – Be piecemeal and non-cumulative—the individual actions do not add up to a coherent strategy. The whole is less than the sum of its well-intentioned parts.

2. Policies Regarding Creation of Capacity

   Numerous steps have been taken—either as a matter of policy or institutional initiative to deal with the need for additional (primarily upper-division) capacity. These steps include creation of branch campus, learning centers, and co-located campuses (comprehensive institutions offering programs on a community college site). All are based on a 2+2 model. The primary differences are those involving physical plant (separate or joint use) and governance authority.

Discussions in the context of the policy audit phase of the project lead us to the following observations:

- All these solutions depend heavily on effective transfer and articulation mechanisms. These mechanisms are working less and less well as the ground rules established by the universities change as a function of their own capacity limits. Across the state, the use of co-located institutions (programs) is proving to be an accepted solution. This approach:
  - Provides a mechanism for comprehensive institutions to deliver programs at remote sites.
  - Is flexible as to partner institutions.
  - Accommodates to the use of technology (witness the presence of Old Dominion University—located in Norfolk, Virginia—on the Olympic Peninsula).
  - Eliminates the need to duplicate many of the student and academic support services.
- Of the alternatives, branch campuses are widely viewed as being the least efficacious.
  - They have not grown to the point where they are accommodating large numbers of students.
  - They have the cultures and cost patterns of the parent institutions—research is often a priority and per-student costs are higher.
  - They are not as flexible a tool for dealing with geographic access as are solutions that provide programs on community college sites. They tend to offer programs that the parent institutions want to offer, not what the local people want and think they need.
- Procedures for creating new programmatic capacity are viewed as onerous and too protracted to let institutions respond quickly to identified needs. Where programs are created under terms of competitive, special purpose funding mechanisms, the processes required are:
  - Administratively costly.
  - Not timely—decisions are made too late to create capacity and enroll students, such that
  - It is difficult for institutions to develop core capacity to respond to demands on an ongoing basis.

- Overall, the culture is one of "plan and control." The state is not creating an environment in which institutions are encouraged to act in ways that both respond to needs and are in their own self-interest. The environment is regulatory rather than strategic and market-sensitive.

- There is little evidence that private institutions are viewed as potentially significant contributors to solving capacity problems.

C. Finance Policy

Not surprisingly, much of what was heard in discussions about policy barriers focused on finance policy. To be sure, some of the conversation was about overall funding levels, but much of the discussion was around specific aspects of finance policy. As a consequence of the policy audit activities, we have concluded that the state's higher education financing policies are not well aligned with key priorities, especially those dealing with expanding access/capacity and responding to adult literacy needs. There is special funding for high-need programs, one of the examples where funding policy **is** aligned with needs. More specifically:

- The central feature of the state's mechanism for allocating funds to institutions is a per-student allocation. This puts number of "funded students" as perhaps **the** single most important variable in the policy discussion. The specification of this number:

  – Gives institutions "approval" to limit enrollments to the agreed-upon number.

  – Often opens the institutions to questioning when they exceed the planning number.

  This creates a situation in which institutions are encouraged to limit enrollments rather than expand to meet demand.

- The fact that all students within an institution get the same level of support means that:

  – Institutions have reason to emphasize low-cost programs rather than high-cost—notwithstanding that many of the high need programs (health professions, engineering, computer science) are also high-cost programs.

  – Students at the universities' branch campuses generate the same level of state support as students on the main campus.

- Student in ESL/adult literacy programs pay no tuition. The levels of state/federal funding determine the numbers of such students the community colleges are able and willing to serve. ESL training appears to be pre-empting other forms of adult basic education because there now are so many non-English speaking workers in Washington. Again, the mechanism encourages capping enrollments rather than expanding them.

- The key elements of finance policy—appropriations to institutions, tuition, and student financial aid are not devised as an integrated package. Bounds are placed on each independently. There is no apparent attempt to devise a combination of policies that will:
  - Allow access and capacity to be expanded, while
  - Keeping postsecondary education affordable to both students and the state.
- There is not a reliance on use of financing incentives to encourage institutional behaviors or outcomes.
  - Many presidents view incentives as an appropriate policy mechanism in many instances.
  - Given the governance arrangements in place, financial incentives may be one of the few ways to encourage necessary collaboration.
- Institutions are free to set tuition only for out-of-state students. This creates a circumstance in which institutions can maximize revenue by taking out-of-state students and denying access to Washington residents.
- Policy questions generally follow this sequence:
  - How much can be allocated to higher education?
  - How are these resources to be distributed across institutions?
  - How many students can be accommodated?

  Rather than this one:
  - How much can be allocated to higher education?
  - What services for which students have highest priority for state subvention?
  - What are the mechanisms for financing those services of lower priority?
- In short, the finance mechanisms operate in the context of a "planned economy" rather than a market economy in which the state purchases services of highest social priority.

D. Accountability Policy

In the absence of a clearly articulated set of state priorities, there can be no accountability mechanism used as an implementation device.

RECOMMENDATIONS

Given the results of the policy audit, we recommend that Washington policy makers consider higher education policy changes that deal with these issues:

- The conflict between the increasing demand for access to community colleges and universities and their capacity to meet that demand.
- Provision of upper level courses and bachelor's degrees throughout the state.
- Transfer from community colleges to universities.
- Relationships between the public school and higher education systems.
- Adult basic education, English as a Second Language (ESL), and General Educational Development (GED) preparation.

We recognize that the Governor, the General Assembly, the Higher Education Coordinating Board, and others have identified most of these issues and sought to address them during the past few years. Indeed, the General Assembly has acted on legislation in this Session that speaks to the issues of branch campuses, articulation and transfer, and improved coordination from pre-school through postsecondary education (commonly referred to as "P-16").

But we respectfully suggest that the solutions to these and other problems often are uncoordinated and occasionally even in conflict with one another. Many good ideas are floating around and many others have been implemented to some degree. But they appear to be what one higher education observers calls "random acts of excellence": solutions undertaken with the best of intentions that are, nonetheless, incoherent. The sum of the parts is greater than the whole.

In order to address the five issues we have identified for possible priority treatment, we suggest that the state of Washington has to deal with two more fundamental issues: (1) the inadequacy of the present funding mechanisms for higher education; and (2) the need for clear differentiation of responsibilities so it is clear what organization or other entity is responsible for developing and advancing the Public Agenda for higher education.

The Need for a Better Set of Funding Mechanisms

If there was a common refrain in all of our discussions in the field, it is that a "one size fits all" approach to funding a system as complex and multi-faceted as Washington's colleges and universities is completely inadequate. It results in substantial waste and inefficiency, and contributes to the difficulty the institutions have in meeting the demands of a growing population and a diversifying economy. We suggest that Washington should **devise a new financing policy for higher education**. The new finance policy should treat state support of institutions, revenues from students, and student financial aid in comprehensive and integrated ways. It should:

- Emphasize incentives for institutions (individually or in collaboration with each other) to address state priorities as expressed in the Public Agenda.

- Create and sustain capacity of state institutions consistent with missions of institutions and the needs of the state. Funding for necessary increases in capacity should be part of the finance policy.

- Make higher education affordable to residents of the state, considering pricing (tuition and fees) and student financial aid along with state support. These are three inseparable parts of the whole.

- Reflect a realistic assessment of the capacity of the state of Washington to fund higher education.

The Need for Better Definition of Roles and Responsibilities for Advancing the Higher Education Public Agenda

As we talked with educators and community leaders around Washington, we found that the Higher Education Coordinating Board was not held in high regard. Now this in itself is not surprising: The higher education coordinating board is rarely esteemed in any state. But the criticisms in Washington should be taken seriously. HECB appears to be perceived as a body that reacts to the initiatives of others, primarily the legislature, but that has not taken the lead in developing the Public Agenda for higher education.

We think that this perception has some validity and that action can be taken to restore confidence in the HECB.

A basic problem appears to be a confusion of basic roles. In our view, the Governor and General Assembly have responsibility for deciding **what needs to be done for the good of Washington State**. But if the Higher Education Coordinating Board is to be an effective organization, it should have the authority and the respect to determine **how it needs to be done and by whom**. It should do this in consultation with the institutions—Community Colleges and Universities, public and private—and with other interested groups around the state.

Our sense is that these two functions—stating the "what" and designing the "how"—have become confused and to have been conflated into one.

This confusion can be corrected by reasonable delineations of responsibility and the creation of trusting relationships among the executive, the legislature, and the coordinating board. Whatever the reasons for impatience or a dismissive attitude toward HECB in the past, we suggest that the board and its new executive director be given the support they need to succeed in their work.

HECB has to think strategically about the place of higher education in the state (and, indeed, the nation and the world). It has to engage higher education in the community and economic development activities of every region of the state. It can do these things by:

- Creating a generally agreed-upon public agenda for Washington higher education using the Master Plan priorities as well as the work of the Collaborative in creating this agenda.

- Reviewing in detail the policies that affect pursuit of this agenda and recommending:
  - Removal of those policies that are identified as barriers to achievement of these ends.
  - Creation of necessary new policies.
- Recommending cost-effective ways in which necessary capacity can be provided in each part of the state.
- Devising an accountability process by which progress toward achieving priority goals can be monitored.
- Convening an annual meeting of policymakers and key stakeholders to review the public agenda, report progress and/or problems and identify alternative strategies for pursuing key objectives.
- Helping to devise, in collaboration with the governor, legislature, and president, the new financing policy mentioned above.

Addressing the Five Key Issues

A. The mismatch between capacity and demand should be dealt with through a combination of actions by the state, the system, and the institutions.

Washington is one of the fastest growing states in the union. While its system of colleges and universities is regarded as one of high quality, not enough high school graduates enter higher education, persist in their studies, and graduate with the degrees or certificates they sought. The state will have more people and it needs more of them in higher education. This is as true for community colleges as it is for universities.

The state should fund the system adequately under the new funding mechanisms we have recommended as an essential foundation to other policy actions. The system and the institutions should seek greater efficiency through a number of actions. First, as suggested elsewhere in this report, inefficiencies and unnecessary duplication can be minimized in activities like offering upper level courses and bachelor's degrees throughout the state. Second, funds can be targeted to meet the highest priorities in the overall effort to resolve the demand/capacity problem. Third, institutions themselves can be challenged to modify traditional patterns of behavior in order to create capacity.

B. The provision of upper level courses and bachelor's degrees throughout the state should be more carefully planned.

There are branch campuses of UW and WSU, consortia, learning centers, buildings of universities located on community college campuses, distance learning, and off-campus courses and programs offered by both the regional and the research universities, plus a variety of offering by the private colleges and universities and for-profit institutions. Some of these, like the branch campuses of UW and WSU, are very expensive because they are funded at research university levels.

There are a multitude of good ideas but they do not form a coherent approach to a serious problem. One—the co-location of regional university facilities on community college campuses—seemed to elicit the greatest support from educators and community leaders throughout the state.

The state should develop a rational approach, focused on the differing needs of citizens and communities in various regions, and eliminating the unnecessary duplication that currently exists.

C. Transfer of course credits from the community colleges to the universities should be streamlined and made much more predictable for the student.

The state should negotiate a statewide articulation agreement between all of the community colleges and all of the public universities. Unnecessary coursework required by the community colleges and unnecessary additional courses required of students after they transfer (both were identified in our discussion around the state) should be eliminated. The process of transfer should be made as convenient and efficient as possible for the student. In this regard, at least, the student should be treated as a "customer" who should not be subjected to administrative red tape or unnecessary delays in achieving her educational objective.

Enrollment funding might include funds specifically identified as being only for transfers to the universities. Private institutions might be declared eligible to receive funding, subject to state statute, for accepting transfer students.

Senior institutions should report to community colleges how well their students do in upper level work (persistence, average grades, time-to-degree, and so on).

D. The P-16 Council in Washington should identify an aggressive agenda of action items.

The first issue to which it might attend is ensuring that the curricula between high school and higher education are aligned, especially in mathematics and language skills. Is what is taught in high schools what college and university faculty think is needed for success in higher education? There has to be give-and-take on both sides of these discussions, which have proven useful in other states.

A second issue might be improved statewide reporting to school districts about how well their students do in colleges and universities.

A third issue might be improved mechanisms for dual enrollment (the "Running Start" program has great potential) and time-shortened baccalaureate degree programs. (Because the cost of higher education is going to increase, students and their parents might benefit from formal programs that enable them to complete bachelor's degrees in less time. Advanced Placement, Running Start, year-round study—these and other approaches could be organized into formal programs for ambitious students.)

E. Adult basic education, English as a Second Language (ESL), and General Equivalency Diploma (GED) preparation need much more attention.

This issue was not among those initially identified as crucial to the future development of Washington higher education. **But everywhere we went to meet with educators and community leaders, it was identified as a key—even a critical—issue.**

Almost one-fourth (24.7 percent) of young people between 18 and 24 do not have high school diplomas. Washington confers about 6,000 GEDs each year, but the population of young people lacking the high school diploma is growing faster than that. A substantial number of the state's young population is not well educated, and that number is growing.

Working with the State Board for Community and Technical Colleges, the state should provide additional funding for these related activities. Performance goals should be set for community colleges, based upon the numbers of educationally needy students in each service area of the state. A test like ACT WorkKeys should be administered to determine whether students are mastering basic skills. The ABE, ESL, and GED programs should be integrated into community college curricula so students who master basic skills have strong incentives to continue their educations beyond the basic level.